

**Russell Pearlmutter**

(718) 986-5701

New York, NY,  
July 15, 2019

To the DOJ and to whom it may concern,

My name is Russell Pearlmutter. I have been a property manager in NYC for decades and am a client of GateGuard INC. We started with one device, loved it, and added it to another half-dozen buildings. I continue to use and recommend the service. Ari Teman has been an upfront person who delivers what he promises, is helpful, responsive, and explains things clearly.

One of the things in GateGuard's contract, which they explain during the sale, and is very clear under the Payments section is that his company will do a bank draw (also known as an RCC, computer check, or pre-approved draw) on our accounts for any fees or costs due, such as monthly recurring fees, repair fees, parts, and device removal fees and penalties. He explained this is to keep their back office expenses to a minimum by automating billing and to avoid non-payment and late payment issues. These checks are very common in NYC real estate, and in-fact landlords often have tenants enter into such agreements.

Not only are the terms clearly linked at the very top of their website, but you are required to click to accept them to sign up, and to use the service. They are also very clearly noted on each invoice, with a direct link to the terms and a note that paying the invoice means we accept the terms. This is very common and standard in our industry.

Beyond that, no professional landlord or property manager would sign up for any service like GateGuard without demanding to review a contract, knowing the fees, length of the contract, and penalties for cancelling. This is because if you want to resell or refinance a building a potential purchaser or funder will require you to show the contracts on all equipment and services so they understand the operating expenses, where they can cut costs, and what liabilities exist. It is not believable that any operator of dozens of buildings, certainly these two seasoned organizations, wouldn't demand terms & review them. In fact, it is likely their investment and operating agreements require every contract be reviewed by counsel.

Having worked for Coney Realty, I can assure you they review terms on all products and services diligently. They are also in the habit of doing chargebacks and they have someone in the office who does them frequently without any conversation with the vendor, regardless of contracted money owed, in an attempt to save money in rather unethical ways. Because they deposit so much, Signature Bank does whatever they ask, regardless of if the money is really owed, even though the bank is aware of this behavior and Coney's reputation.

It is shocking and upsetting that the NYPD relied on the testimony of two organizations in NYC who both have many violations, ABJ and Coney, who are literally on the "Worst Landlords" list, and did not bother to speak with Mr. Teman or his attorneys before throwing him into federal prison for a week. I cannot imagine the trauma caused to Mr. Teman and would not be surprised if he cannot or will not continue to work in this industry, or even function normally, after such a trauma.

Signed,

DocuSigned by:  
*Russell Pearlmutter* 7/16/2019  
1D3AC1FA9DD346E...